

Watch for Us!

Title Guaranty is making waves lately. We’ve made some major changes and we’ve announced them in a major way! You may have seen some of our advertisements running in several trade publications. There’s more to come! Here’s our advertising schedule for the next quarter:

Publications:	March	April	May
Iowa Mortgage Press	X	X	X
Iowa Lawyer	X	X	X
Iowa Banking Magazine	X	X	X
Iowa Realtors’ Benchmark		X	
Iowa Land Title News		X	

We’re already at work planning our campaign for the summer months! Watch for more about Title Guaranty and how we’re working to improve our products and systems.



ON THE MOVE

Distributed by:
Iowa Finance Authority
Title Guaranty Division

200 East Grand Avenue, Suite 350
Des Moines, IA 50309

515.242.4989 | www.ifahome.com

My “Ask Title Guaranty” question is:

My Email address is:

Please make any changes or corrections to your mailing address here:

Thanks! We appreciate your help and your interest in Title Guaranty.

Ask Title Guaranty

In a follow-up to our last newsletter’s question, a lender wrote:

Your previous newsletter answered a question about what Title Guaranty requires us to keep and for how long. The loans we order Title Guaranty Certificates for are sold to a mortgage company. We forward the original documents to them and keep a dummy file for ourselves. This file is destroyed after three years. Are we required to keep this information for 10 years, as well, or does that only pertain to the mortgage company to which the loan is sold?

The answer is that the 10 years requirement is only for Title Guaranty participating attorneys. Lenders might have their own rules also, but their regulators would have to answer those questions. The best advice for lenders is to keep their original Lender Certificates until the loan is released of record. Otherwise, they will need to make a written request to Title Guaranty for a copy of their certificate along with a check in the amount of \$15 payable to “Treasurer, State of Iowa.”

Please keep the questions coming. Send your questions to:

Attn: Susan Riedinger
Title Guaranty Division
200 E. Grand Ave., Suite 350
Des Moines, IA 50309

Fax: 515-242-4994
Email: susan.riedinger@iowa.gov

FROM THE DIRECTOR

As you’ve probably noticed, the progress continues at Title Guaranty. We promised to redesign our products, policies and pricing, and we did. Title Guaranty will continue to explore our operations, as well as the industry, to ensure that we are offering a product that you will choose to use. You can read about some of the latest enhancements in this issue of *On the Move*. Whether it’s the Rapid Certificate Program or the non-purchase procedures, we believe you’ll like what you see. We will continue to set the standard for price and quality in Iowa. The progress will not stop here!

The Iowa Legislature is back in session, and once again there are several bills of interest to Title Guaranty and our industry partners. We have been working closely with the ILTA and the ISBA to reach consensus on a bill for abstractor licensing. Rather than introducing an entirely new bill, we will work toward amending the bill introduced in the last session. I appreciate all the comments and suggestions on this important issue. Your feedback has been most useful.

I’ve had numerous phone calls and meetings in the past few months with many of our partners to discuss our changes and the industry in general. I appreciate hearing the various perspectives as well as concerns. I especially appreciate the opportunity to work with you to create a better system for Iowa.

Lloyd W. Ogle, Director

Title Guaranty

ON THE MOVE

Title Guaranty Introduces Major Program Enhancements

January 1, 2006, marked the implementation of a variety of changes at Title Guaranty. Premium rates are the lowest ever, and getting a Title Guaranty Certificate is easier and faster than ever before. As announced, premiums on purchase transactions are now just \$110 for coverage up to and including \$500,000. Not only that, many of the most commonly used endorsements (Comprehensive, Environmental Protection, Location, Variable Rate Mortgage and Loss Mortgage Lien) are now free! Additional endorsements are still available at \$15 each.

Now, we’re announcing another major improvement – a streamlined non-purchase product. With this program, it is no longer necessary to have a full abstract update when the transaction involves a refinance, home equity loan or second mortgage. Just a short form title search by a participating abstractor and an attorney’s review of the title search is necessary. That’s it. And, we’ve made it even better – we’re reducing the premium on non-purchase transactions to \$90 for coverage up to and including \$500,000.

What else is new? Participating attorneys can now use the Rapid Certificate Program to issue final certificates without waiting for the just-paid mortgage to actually be released. Obviously, we don’t want a lot of unreleased

mortgages on the books, so we will require a release. If it isn’t released by the mortgagee in a reasonable period of time, the issuing attorney may apply for a release through the Title Guaranty Mortgage Release Program. In order to participate in the Rapid Certificate Program, participating attorneys must sign an additional agreement. For more information on the Mortgage Release Program, see the article on page 2 of this newsletter.

We are looking for opportunities to streamline the closing process and yet maintain the integrity of the Iowa land records system. As Title Guaranty changes to meet the demands of the industry and the marketplace, one thing will remain constant – our commitment to offering a quality title product at a fair price in a reasonable period of time.

Want more information about participating in Title Guaranty? Give us a call at 800-843-0201, or check out our website at www.ifahome.com.



Save the Date!

The Title Guaranty Second Annual Conference will be November 14-15, 2006 Crowne Plaza Hotel Cedar Rapids, IA

Where’s the Mortgage Release?

Ever have trouble obtaining a release of a mortgage that has already been paid in full? Is there a missing or defective mortgage assignment somewhere in the chain of title, even though there was a purported mortgage release filed? Now there is a tool to help obtain a release to fix these common problems. Title Guaranty, through the Mortgage Release Program, now has the authority to file releases for loans that have been paid in full, assuming certain criteria have been met. Iowa Code Section 16.92, as interpreted through Iowa Administrative Code Rule 265 in Chapter 9.20, provides this authority.

This program will help owners of real property obtain releases and also help everyone engaged in real estate transactions by providing a method to clear title problems caused by unreleased mortgages. The statute allows a licensed lender, licensed attorney, Title Guaranty participating abstractor or a licensed real estate broker to provide Title Guaranty with information that may be used to execute a Certificate of Release. The informational forms Title Guaranty requires are available from us or online at www.ifahome.com.

In its simplest form, once a loan has been paid in full, and more than 30 days has passed without a release, the closer sends a completed form and the required proof of payment to Title Guaranty. Title Guaranty then uses the information from the form to draft a letter to the mortgage servicer telling them that they have 30 days to execute a mortgage release. Within this time, if the mortgage servicer does not provide an objection that is adequate to Title Guaranty or provide a release, Title Guaranty will execute and record a Certificate of Release. Once this release is filed, it can serve as a valid release of the mortgage.

Title Guaranty requires that the closer send a \$12 check payable to the applicable county recorder to cover the recording fees of the requested release. If the release is not filed, this check will be returned. Also, the closer may have expenses for publication of a notice from Title Guaranty to the mortgage servicer. This process will only be used if the mortgage servicer cannot be reached by mail. Participating attorneys using the Rapid Certificate Program will not have to pay either fee if they have made a bona fide effort to obtain the mortgage release and one is not done by the lender.

This Mortgage Release Program is a popular remedy for a problem that seems to occur with greater frequency. Our hope is to make this process as easy as possible while following the direction of the statute. Please contact our office or visit our website if you would like to request information on this new program.

Title Guaranty
Top 10 Requested Form E Endorsements

Title Guaranty issues numerous Lender Certificates and commitments every day. Our goal is to provide a product that is accurate and up-to-date and that provides the level of coverage our lender partners request.

Additions, updates or corrections to Title Guaranty Lender Certificates and commitments are shown on a “Form E Endorsement.” The Top 10 Requested Form E Endorsements are listed on the following page, along with the instructions or requirements for obtaining the endorsement and any costs. These instructions and requirements apply to Lender Certificates or commitments issued for residential transactions only. Title Guaranty may make additional requirements if there are unusual circumstances or if the certificate or commitment covers property other than residential.

All requests for Form E Endorsements should include the certificate or commitment number. If the certificate or commitment is issued by a Title Guaranty staff member, the request should be addressed to the attention of that individual, usually shown at the bottom of Schedule A next to “Prepared By.” If the certificate or commitment is issued by a Title Guaranty member attorney, the request should be addressed directly to the attorney. (Refer to chart at right for Form E Endorsements.)

Top 10 Requested Form E Endorsements

Update, Addition or Correction (Residential, Lender Certificates or Commitments only)	What Title Guaranty requires:	Is there a cost?
10. I need to remove an exception for mechanics’ lien coverage from Schedule B of a certificate.	Mail or fax two items: (1) Evidence of the date upon which all construction was completed, and (2) a mechanics’ lien search performed by the abstractor covering the mechanics’ lien claim period.	No
9. I need to add one or more of the following endorsements to a certificate: Comprehensive, Location or Variable Rate Mortgage.	Simply request the endorsement by fax or by mail if there is a charge. (NOTE: Comprehensive and Location Endorsements are not available for vacant land or where survey coverage has been denied.)	Closing prior to January 1, 2006: \$15.00 per endorsement. Closing on or after January 1, 2006: No cost.
8. I need to add a Condominium Endorsement to a certificate.	Mail your request along with the applicable premium, a statement from the owners association that all dues are paid in full and a copy of the right of first refusal. (NOTE: The property must be a condominium properly organized under the Iowa Horizontal Property Act.)	\$15.00 for the Condominium Endorsement
7. I need to correct the name(s) and/or marital status of the borrowers as they appear in Schedule A, Paragraph 4 of a certificate.	Mail or fax a copy of the first page and the signature page of the recorded mortgage showing how the name(s) and/or marital status appear.	No
6. I need to correct the amount of coverage on Schedule A and the amount of the mortgage in Schedule A, Paragraph 4 of a certificate.	Mail or fax a copy of the recorded mortgage showing the correct amount.	Maybe, if the amount of coverage is increased. Call Title Guaranty for a new premium quote.
5. I need to add an assignment to Schedule A, Paragraph 4 and amend the Name of Guaranteed in Schedule A, Paragraph 1 of a certificate.	Mail or fax a copy of the recorded assignment.	No
4. I need to correct the date, filing date, book and page or instrument number of the mortgage or assignment shown in Schedule A, Paragraph 4 of a certificate.	Mail or fax a copy of the recorded mortgage and/or assignment showing the correct information.	No
3. I need to add the rerecording information for a rerecorded mortgage and/or rerecorded assignment in Schedule A, Paragraph 4 of a certificate.	Mail or fax a copy of the rerecorded mortgage and/or assignment. Title Guaranty may make additional requirements, depending upon the reason for rerecording the mortgage.	No
2. I need to correct or amend the amount of coverage on Schedule A of a commitment.	Phone or fax your request, including the correct mortgage amount, to the individual who prepared the commitment.	No cost for the Form E; the Form E will show any change in premium due to the change in mortgage amount.
1. I need to correct or amend the Name of Guaranteed shown on Schedule A of a commitment.	Phone or fax your request, including the name and address of the correct lender or guaranteed, to the individual who prepared the commitment.	No

Featured Endorsement

The Featured Endorsement in this issue is the Manufactured Housing Unit Endorsement, Form 463, which is similar to the ALTA 7 Endorsement. The Manufactured Housing Unit Endorsement guarantees that any mobile home, manufactured home or modular home on the property is covered by a Title Guaranty Certificate. This endorsement may be used for both Owner and Lender Certificates.

In order to issue this certificate, Title Guaranty requires the following:

1. Evidence that the mobile home, manufactured home or modular home has been permanently attached to the property by concrete foundation or piers. This evidence often is addressed on the current appraisal, inspection or survey.
2. Verification that the assessor has assessed the manufactured home as a real property improvement and the prior Vehicle Identification Number (VIN), if any, has been terminated.

Hernandez Heads IFA’s Efforts to Reach Minorities



As Iowa’s population continues to diversify, the Iowa Finance Authority is taking a proactive approach to reaching out to minority and nonnative Iowans. In late 2004, IFA hired its first marketing specialist to support this initiative. In November 2005, Francisco Hernandez assumed the role and is charged with developing new and improving existing approaches and services to and for various ethnic groups. Francisco’s duties involve creatively and efficiently marketing IFA’s many housing programs, including *FirstHome* and *FirstHome Plus*, to minority populations with the ultimate goal of encouraging increased usage of them.

Through a systematic approach, Francisco will coordinate community outreach that focuses on minority individuals and families. He’ll also collaborate with for-profit and nonprofit agencies and businesses in order to find better ways to inform, educate and serve our minority population.

Feel free to contact Francisco at francisco.hernandez@iowa.gov or 515.281.5747.